

[Two originals to be provided to Ex-Im Bank]

To: Export-Import Bank of the United States  
811 Vermont Avenue, N.W.  
Washington, D.C. 20571  
Attention: Vice President - United States Division

### LOAN AUTHORIZATION NOTICE

We hereby notify the Export-Import Bank of the United States ("Ex-Im Bank") that, pursuant to the delegated authority granted by Ex-Im Bank to the undersigned institution (the "Lender") under the Delegated Authority Letter Agreement referred to below between Lender and Ex-Im Bank, we have issued an Ex-Im Bank Guarantee under the Master Guarantee Agreement between Ex-Im Bank and Lender, of the Loan Facility identified below from Lender to Borrower identified below. The Loan Facility is subject to the specific terms and conditions set forth below. Unless otherwise defined, the capitalized terms used herein shall have the meanings set forth in the Master Guarantee Agreement.

1. Documentation and Location of Loan Documents:

Name of Lender: \_\_\_\_\_

Delegated Authority Letter Agreement Number: \_\_\_\_\_-DA - 99 - \_\_\_\_\_

Master Guarantee Agreement Number: \_\_\_\_\_-MGA - 99 - \_\_\_\_\_

Borrower Agreement Date: \_\_\_\_\_

Effective Date of this Loan Facility: \_\_\_\_\_

Location of Loan Documents: \_\_\_\_\_

If Borrower was assisted by a city/state export agency, please provide the name of the agency, contact person, and telephone number.

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_

2. A. Borrower's Name and Address: The full name, address, contact person, telephone and telefax numbers of Borrower are as follows:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_

- B. Is Borrower a Small Business as stipulated by SBA guidelines?  
\_\_\_\_ Yes \_\_\_\_ No

- C. Additionality: Please select appropriate answer(s).

- ☐ (1.) Borrower meets all small business criteria:  
(i) Maximum Amount is \$2 million or less;  
(ii) Borrower qualifies as Small Business under SBA Guidelines;  
(iii) Borrower employs 100 people or fewer; and  
(iv) Borrower's annual revenues do not exceed \$10 million.
- ☐ (2.) Repayment risk associated with foreign sale.
- ☐ (3.) Borrower's creditworthiness requires Guarantee.
- ☐ (4.) Lender's internal lending limits reached.
- ☐ (5.) Lender's statutory lending limits reached.
- ☐ (6.) Other (please specify) \_\_\_\_\_.

3. Guarantor's Name and Address: Are there Guarantors for the Loan Facility?

☐ Yes

☐ No **If no, attach waiver letter from Ex-Im Bank and/or ownership breakdown.**

The full name, address, telephone and telefax numbers of each Guarantor are as follows:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Telecopier: \_\_\_\_\_

4. The Items to be financed:

A. The Items: (Complete description of goods and services to be exported, e.g. machine tools, electronic components, logs, etc.)

SIC Code(s)/NAIC No(s). \_\_\_\_\_

B. Are Commercial Letters of Credit or Standby Letters of Credit (other than Warranty Letters of Credit) to be issued under this Loan Facility?

☐ Yes **If yes, approximately what percentage of the Loan Facility will be utilized for Commercial Letters of Credit or Standby Letters of Credit? \_\_\_\_%**

☐ No

C. Are Warranty Letters of Credit expected to be issued under this Loan Facility?

☐ Yes **If yes, Ex-Im Bank's prior written consent must be given for each such Warranty Letters of Credit. Please attach a copy of Ex-Im Bank's written consent.**

☐ No

D. Are Retainage Accounts Receivable to be included in the Export-Related Borrowing Base?

☐ Yes **If yes, Ex-Im Bank's prior written consent must be given for each such Retainage Accounts Receivable. Please attach a copy of Ex-Im Bank's written consent.**

☐ No

5. Maximum Amount, Disbursement Terms and Conditions and Advance Rates:

A. Maximum Amount: \$ \_\_\_\_\_

B. Disbursement Terms and Conditions:

☐ Disbursements will be made against multiple Export Orders.

☐ Disbursements will be made against a specific contract.

C. Advance Rates by Categories of Primary Collateral:

(1) Inventory: The Advance Rate for Collateral categorized as Eligible Export-Related Inventory shall be:

\_\_\_\_\_ percent (\_\_\_\_%)

(2) Accounts Receivable: The Advance Rate for Collateral categorized as Eligible Export-Related Accounts Receivable shall be:

\_\_\_\_\_ percent (\_\_\_\_%)

(3) Retainage Accounts Receivable: The Advance Rate for Collateral categorized as Retainage Accounts Receivable shall be:

\_\_\_\_\_ percent (\_\_\_\_%)

(4) Other Assets: (Describe) \_\_\_\_\_.

The Advance Rate for Collateral categorized as Other Assets shall be:

\_\_\_\_\_ percent (\_\_\_\_%)

D. Type of Loan Facility and Exports supported:

(1.) Type of Loan Facility:

- ☐ The Loan Facility is a Revolving Loan Facility (other than a Transaction Specific Revolving Loan Facility). (Complete parts 2 and 3 below.)
- ☐ The Loan Facility is a Transaction Specific Revolving Loan Facility. (Complete parts 3 and 4 below.)
- ☐ The Loan Facility is a Transaction Specific Loan Facility. (Complete parts 3 and 4 below.)

(2.) For a Revolving Loan Facility, identify the top three countries of export:

Country of Export: \_\_\_\_\_  
Country of Export: \_\_\_\_\_  
Country of Export: \_\_\_\_\_

(3.) Estimated Total Export Sales each year to be supported by this Loan Facility: \$ \_\_\_\_\_

(4.) For a Transaction Specific Revolving Loan Facility or a Transaction Specific Loan Facility, identify the Export Order(s):

Country of Export: \_\_\_\_\_  
Contract Price: \$ \_\_\_\_\_  
Contract Number: \_\_\_\_\_  
Contract Date: \_\_\_\_\_  
Parties: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Security Interests:

Valid, enforceable and perfected security interests in the following Collateral, and the proceeds thereof:

A. First priority in the following (check all that apply):

- ☐ All Inventory.
- ☐ All Export-Related Inventory.

- ☐ All Export-Related Inventory relating to Specific Export Order(s).
- ☐ All Accounts Receivable.
- ☐ All Export-Related Accounts Receivable.
- ☐ All Export-Related Accounts Receivable relating to Specific Export Order(s).
- ☐ All General Intangibles.
- ☐ All Export-Related General Intangibles.
- ☐ Other Collateral, please specify. \_\_\_\_\_  
\_\_\_\_\_

B. Secondary Collateral: Any other assets of Borrower in which Lender is receiving a Lien to secure any other financial accommodations provided by Lender to such Borrower.

Please specify: \_\_\_\_\_

C. Guarantor Collateral: Any assets of a Guarantor or a third party in which Lender is granted a Lien to secure any financial accommodations provided by Lender to Borrower.

Please specify: \_\_\_\_\_

D. Permitted Liens: \_\_\_\_\_

E. The Liens of Lender on the Secondary Collateral shall be a first priority Lien except for the following Liens: \_\_\_\_\_

F. The Liens of Lender on the Guarantor Collateral shall be a first priority Lien except for the following Liens: \_\_\_\_\_

G. Are you separately collateralizing the 10% portion of this Loan Facility?  
No \_\_\_\_\_  
Yes \_\_\_\_\_ If yes, please specify separate collateral. \_\_\_\_\_.

**Note:** Lender cannot collateralize its retained 10% risk with cash, cash equivalents or marketable securities from Borrower, any Guarantor, or any of Borrower's Affiliates (as defined in Section 5(b) of the Delegated Authority Letter Agreement) or any third party guarantors.

7. Terms of Sale of Export Orders:

Export Orders financed under the Loan Facility shall be on terms which are typical for the industry but in no event to exceed 180 days from original invoice date, and shall be on the following terms:

- ☐ Confirmed irrevocable letters of credit.
- ☐ Irrevocable letters of credit.
- ☐ Open account insured through Ex-Im Bank export credit insurance for comprehensive commercial and political risk.
- ☐ Open account insured through non Ex-Im Bank export credit insurance for comprehensive commercial and political risk.
- ☐ Cash payment received prior to shipment.
- ☐ Open account uninsured.
- ☐ Sight drafts documents against payment (also known as "documentary collections").
- ☐ Other terms. [If checked, any such terms of sale must be fully described on an attached addendum in order for this Notice to be considered complete.]

8. Interest Rate and Other Fees.
- A. Lender's Interest Rate: \_\_\_\_\_
- B. Other Fees: \_\_\_\_\_
9. Facility Fee: Lender will submit a completed and signed Schedule A together with the Facility Fee amount determined in accordance with the applicable section of Schedule A:
- A. within ten (10) Business Days of the Effective Date;
- B. with respect to a Revolving Loan Facility (other than a Transaction Specific Revolving Loan Facility), within ten (10) Business Days of the first and second anniversaries of the Effective Date, as applicable; and/or
- C. within ten (10) Business Days of the Effective Date of an Extension of the Final Disbursement Date (such Extensions not to exceed one-hundred-twenty (120) days in the aggregate), as applicable. **Please note that Ex-Im Bank considers a Renewal to be a new Loan Facility rather than an Extension.**
10. Final Disbursement Date: \_\_\_\_\_, \_\_\_\_\_.
11. Financial Reporting Requirements: Borrower and each Guarantor shall deliver to Lender the following financial statements:
- A. Year End Financial Statements.  
Within one hundred and twenty (120) days of Borrower's and each Guarantor's (other than individual Guarantor) fiscal year end or if such Person is required to submit a Form 10-K at the time of filing of such Form 10-K, the income statement, balance sheet and statement of cash flow as of such fiscal year-end including in each case all footnotes and other disclosures which have been (check one):
- ☐ certified without qualification by an independent accounting firm acceptable to Lender (the "Accountants") (For Loan Facilities of \$5,000,000 or more)
- ☐ reviewed by the Accountants (For Loan Facilities of \$2,000,000 or more but less than \$5,000,000)



- ☐ compiled by the Accountants (For Loan Facilities of \$1,000,000 or more but less than \$2,000,000)
- ☐ internally prepared by management of such Person in accordance with GAAP certified as fairly presenting the financial condition of such Person as of the date thereof by an authorized officer of such Person (For Loan Facilities of less than \$1,000,000)

B. Quarterly Financial Statements.

Within 45 days of Borrower's and each Guarantor's (other than an individual Guarantor) fiscal quarter end or if such Person is required to submit a Form 10-Q at the time of filing of such Form 10-Q, the income statement, balance sheet and statement of cash flow as of the end of such fiscal quarter which have been internally prepared by management of such Person in accordance with GAAP certified as fairly presenting the financial condition of such Person as of the date thereof by an authorized officer of such Person.

C. Individual Guarantors Financial Statements: Once each year, a personal financial statement on a bank form or such other form generally accepted by Lender.

12. Country Limitation Schedule: (See Country Limitation Schedule dated \_\_\_\_\_, attached hereto, which may be updated from time to time)

IN WITNESS WHEREOF, Lender has caused this instrument to be executed and delivered as of this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Name of Lender: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print or Type)

Title: \_\_\_\_\_  
(Print or Type)

Address: \_\_\_\_\_ Telephone: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Telefax: \_\_\_\_\_

Receipt acknowledged by:

EXPORT-IMPORT BANK OF THE UNITED STATES

By: \_\_\_\_\_  
(Signature)

Name: Sam Z. Zytcer

Title: Vice President, United States Division

Date: \_\_\_\_\_

Ex-Im Bank hereby designates the Loan Facility referred to in this Loan Authorization Notice as Guaranteed Loan Facility No. \_\_\_\_\_.

Reminders:

- 1) Did you include the completed application, signed by Borrower and Lender?
- 2) Did you include the \$100 Application Fee?
- 3) Did you include the appropriate Facility Fee and the Facility Fee Schedule?
- 4) Have you completed the Loan Authorization Notice and submitted **two** originals?
- 5) Have you attached copies of waivers approved by Ex-Im Bank?
- 6) Have you delivered the Country Limitation Schedule to Borrower?

If you need assistance in completing this document, please do not hesitate to contact the U. S. Division directly at 202/565-3780.